

# FISCAL NOTE

## SB 123 - HB 416

February 11, 1997

**SUMMARY OF BILL:** (1) Provides that students may be admitted to any institution without paying out-of-state tuition if they are non-residents who live in a county that borders Tennessee, and they have a bona fide place of residence within a 30 miles radius of East Tennessee State University and the University of Memphis. Limits are set at 3% of FTE. (2) Provides that out-of-state tuition waivers to students enrolled at Austin Peay and the community colleges will no longer be given. Dyersburg State Community College exemptions remain the same.

### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$253,000**

#### Current Law

Semester	Fall 96	Allowed Waivers	Current 30 Mile		1-Semester	2-
	FTE	3% FTE	Waiver FTE	Tuition	Total	Total
APSU	6,072	NA	334	\$2,168	\$724,112	\$1,448,224
Chattanooga	5,427	163	154	\$1,536	236,544	473,088
Cleveland	2,111	63	29	\$1,536	44,544	89,088
Motlow	2,116	63	21	\$1,536	32,256	64,512
Northeast	2,459	74	67	\$1,536	102,912	205,824
Shelby	3,740	112	67	\$1,536	102,912	205,824
State Tech Mem	4,900	147	104	\$1,536	159,744	319,488
Volunteer	4,129	124	26	\$1,536	39,936	79,872
Walters	3,731	112	3	\$1,536	4,608	9,216
	34,685		805		\$1,447,568	\$2,895,136

#### Proposed Law

			Est. No. Waivers			
East Tenn	9,202	276	276	\$2,168	\$598,368	\$1,196,736
Univ Memphis	15,001	450	450	\$2,168	975,600	1,951,200
	24,203	726	726		\$1,573,968	\$3,147,936

Proposed Expenditures	\$3,147,936
Current Expenditures	<u>2,895,136</u>
Increase in State Expenditures	<u>\$252,800</u>

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Estimate assumes that the out-of-state attendance rate for those institutions that will no longer give tuition waivers to out-of-state students will remain the same. Estimate does not include possible loss of students to APSU and 2-year institutions as a result of students not attending resulting in a loss of in-state only fees.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director